

**ARIZONA STATE PARKS BOARD
MARICOPA COUNTY DESERT OUTDOOR CENTER
LAKE PLEASANT REGIONAL PARK
41402 N. 87TH AVENUE, PEORIA, AZ
MINUTES**

Board Members Present:

William Cordasco, Chairman
William Scalzo
Reese Woodling
Tracey Westerhausen (arrived 10:53 a.m.)
William Porter
Mark Winkleman (arrived at 10:58 a.m.)

Board Members Absent:

Arlan Colton

Staff Present:

Kenneth E. Travous, Executive Director
Jay Ream, Assistant Director, Parks
Jay Ziemann, Assistant Director, Partnerships and External Affairs
Mark Siegwarth, Assistant Director, Administration
Cristie Statler, Assistant Director, Outreach
Debi Busser, Executive Secretary
Janet Hawks, Chief of Parks
Doris Pulsifer, Chief of Grants
Robert Baldwin
Patricia Dutrack
Vivia Strang
Ruth Schulman

Attorney General's Office:

Nathan Fidel

A. CALL TO ORDER - ROLL CALL – 10:00 A.M.

Chairman Cordasco called the meeting to order at 10:04 a.m.

B. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF

Parks Board members and staff introduced themselves to the public.

C. CONSENT AGENDA

- 1. Approve Minutes of May 17, 2007 State Parks Board Meeting**
- 2. Approve Minutes of July 18 Planning Session and Workshop**
- 3. Approve Minutes of July 19, 2007 State Parks Board Meeting**
- 4. Appoint A New Member to the Natural Areas Program Advisory Committee (NAPAC) And Acknowledge Resignation of Dr. Ken Kingsley from NAPAC**
– Staff recommends that Jared Underwood be appointed to fill the vacancy on

NAPAC created by the resignation of Dr. Ken Kingsley and that he be appointed to serve the remainder of Dr. Kingsley's term, expiring on December 31, 2009.

5. **Consider Request for a One-Year Extension of the Project End Date for the City of Phoenix – Phoenix Commercial Architect Project, Historic Preservation Fund Grant Project #640305** – Staff recommends approval of the 11, 2008. HPAC has unanimously approved a one-year extension of the project end date for this project.
6. **Consider Request for a One-Year Extension of the Project End Date for the Center for Desert Archaeology – Coalescent Communities in Arizona, Heritage Fund Historic Preservation Grant Project #640307** – Staff recommends approval of the one-year end date time extension from October 20, 2007 to October 20, 2008. HPAC has unanimously approved a one-year project end date time extension for this project.
7. **Consider Request for a One-Year Extension of the Project End Date for the Southwest Institute for Culture and Art Project – Lincoln School Rehabilitation, Heritage Fund Historic Preservation Grant Project #640314** – Staff recommends approval of the one-year project end date time extension from October 14, 2007 to October 14, 2008. HPAC has unanimously approved a one-year time extension for this project.
8. **Consider Request for a One-Year Extension of the Project End Date for the Florence Main Street – Popular/Mandel's Department Store Rehabilitation Project, Heritage Fund Historic Preservation Grant Project #640406** – Staff recommends approval of the one-year project end date time extension from December 7, 2007 to December 7, 2008. HPAC has unanimously approved a one-year project end date time extension.

Mr. Travous welcomed everyone to the Board meeting. He noted that the Board received several mailings and hoped that everyone received them. He noted that the Board had a lot of grants to get through this morning as a result of people going to workshops, reviewing the criteria for the grants, writing and submitting their grants for review by staff, advisory boards, and AORCC, and to the Board for approval.

Mr. Travous reminded the Board that he pulled the Minutes from the May meeting due to a sentence he thought needed to be removed. That has been done and those Minutes are included in this Consent Agenda.

Mr. Porter made a motion to approve the Consent Agenda; Mr. Scalzo seconded the motion. The Motion carried unanimously.

D. BOARD ACTION ITEMS

1. **Summary of Staff Funding Recommendations for Competitive Grant Programs**

Mr. Travous introduced Ms. Doris Pulsifer, Chief of Grants.

Ms. Pulsifer thanked her staff for the work they've done throughout the year. This is a group of people who truly believe in the work that they do, the programs that they administer, and in the Mission of Arizona State Parks (ASP). She noted that additional information is included in the Board members' folders – the applications by program. There are two tables on that document. This document provides two comparisons that depict the staff recommendations to the advisory committees' recommendations and pretty much gives the Board an overall view of all of the requests that came in for each program compared to the number of recommended grant awards and the requested grant funds for each program compared to the rest of the recommended grant awards from each program. One can see by looking at it that the staffs' recommendation and the advisory committees' recommendations are pretty close except for SLIF where there is a slight difference in recommendation. Other than that, they pretty much line up. She then turned to the LRSP grant program.

- a. **Consider Staff Recommendations for Funding FY 2007 Local, Regional and State Parks Heritage Fund (LRSP) and FFY 2007 Land and Water Conservation Fund (LWCF) Grant Projects.** Staff recommends granting funding in the amount of \$3,958,040 to the first nine (9) projects to be distributed as follows: The first eight projects (down through Show Low) to be funded with LRSP; the ninth project (Eager) to be funded with the remaining \$495,057 of LRSP funds and \$148,995 of LWCF funds; and the tenth project (Scottsdale) be partially funded with the remaining \$225,614 of LWCF funds.

Prior to Staff's revised recommendation, at their August 9, 2007 meeting, AORCC unanimously concurred with staff to fund the first nine projects. AORCC further recommended that staff explore the possibility of funding the Quechan Tribe's Natural Park Development project from the SLIF Grant Program and to fund the Scottsdale Grayhawk project with the remaining funds. However, after discussions with legal counsel, it was determined that the Quechan Tribe's LRSP/LWCF grant application is not eligible to be funded under the LRSP/LWCF Grant Fund Program.

Ms. Pulsifer referred the Board to page 21 of the Board Packet. She noted that the actual list of the programs is on page 23.

Mr. Porter stated he wanted to thank staff. The materials sent out this year were by far the clearest, most complete, and applying the standards of the Board the way they are intended. He read through it, looking for all the little things that he usually nit picks over and found nothing amiss. He was delighted. Having said that, he believes that what has been presented to the Board has given basis for the Board to act unless there is an indication that any Board member has any serious problems. He noted that Ms. Judy Weiss wished to address the Board.

Ms. Judy Weiss, City of Scottsdale Parks and Recreation, addressed the Board. She stated that she is in agreement with what the Board members have said about the yeoman's job that staff does. This is a very public process – and has been for years. It's very competitive. The staff are absolutely passionate in trying to help the applicant be successful in getting above that line.

Ms. Weiss stated that, with that said, she would like to point out to the Board a couple of process issues, understanding that the grant application criteria is changing next year. This may be a good time to consider these process improvements.

Ms. Weiss stated that one of the great things staff does is giving feedback on the scores. Therefore, there is plenty of opportunity to use that feedback to improve the application for the next year. The bad thing is that if it didn't score well one assumes that the advisory committee approves or agrees with your supplemental and that, using the same criteria, it is a reasonable assumption that the application will be approved next year. Her application has a situation where she failed to include a number. She put in the grant amount instead of the project amount. She lost points for that – as she should have. Unfortunately, she did the same thing last year and received 4 points. The year before that, she didn't put in a number at all and got 4 points. The process needs to be improved. She suggested that the grant criteria in the manual be followed by the evaluation team to the letter. She believes that it is the assumption made by all applicants who attend the workshops; if it's not, then it damages the integrity of the entire process.

Ms. Weiss stated that the other issue is that there is an appeal process called a Disagreement Process that she has found does not work. The time line on it is there are 30 days to appeal to the Assistant Director and another 30 days to appeal to the Executive Director. With the ASP Board's schedule, there is really nothing that can be done to address the appeal process in that time. She asked that the Board look at that so that it works. It is a good process to have, but the process needs to be improved so that there is enough time to appeal to the Board.

Ms. Weiss requested the Board to consider those two processes. She stated that she does appreciate the job that staff and the Board do.

Mr. Porter responded that Ms. Weiss' points are well made and he really appreciates her attitude. It would have been very understandable for them to have been angry or bitter if they had those problems. He doesn't know if those particular incidents are legitimate. Since they have been raised, he believes they ought to be addressed. He requested staff to go back and see where it is and if it needs to be followed up on.

Mr. Travous noted that everyone wants to do the right thing. He would just add that it is not humanly impossible to follow up on everything to the detail that is given. Sometimes what looks good in one layer doesn't look good in another layer.

Mr. Porter noted that sometimes the points are so close, such as the 1.5 points difference in her project and the next above it. When we start getting that fine-tuned it is very important to look for glitches that need to be corrected.

Board Action

Mr. Porter: I move that the top 10 projects be approved for LWSP/LWCF funding in the amount of \$4,468,118 and the Executive Director or his designee be authorized to execute the Participant Agreements.

Mr. Woodling seconded the motion.

Mr. Scalzo stated that, as Ms. Weiss' comments pointed out, there is something more important and that is our lack of funds. It is his opinion that it is pathetic that the Board has so little to distribute across the state where there is such a great need. He is looking at these scores and they are all high. He has never seen such hard work done by so many cities and groups to get this money and the Board not having enough money to fund them. This is getting more and more frustrating because it points out the need to improve the process as far as funding. Cities and towns effectively compete for this; they've worked very hard for it, and literally half a point can mean that much. We need to improve the amount of money; we need to really think on how we, as the state of Arizona and the communities they are in can get to a point to identify a better way of identifying more money and not the whim of what's available every year. It is very frustrating for the staff and the Board. He is looking at these scores, and every year they get better. That means that everyone is working harder to achieve the limited dollars we have and we just don't have it. It's not right. He looks at other states that are so much more progressive than we are with none of the growth we have. Somehow we just need to become much more proactive – both this Board and the communities working together.

Mr. Porter stated his agreement with Mr. Scalzo's statement. He urged everyone present at this meeting to reference in any of these local societies, local museums, or local parks and recs, or whatever it is that is involved in their particular interest area. There are people present from the Heritage area – all of these funds. Mr. Scalzo's remarks could be attributed to every one of these grant cycles. They never have enough money and it's going to get worse as we go forward. In this morning's paper, they are talking about cutting as much as a billion dollars from the budget. He guaranteed everyone that ASP will not be immune to some of that cutting.

Mr. Porter urged everyone to start thinking about doing some lobbying. Everyone here has legislators; probably 1/4 to 1/3 of the counties have constituents in this room. It is important that they make themselves heard about the importance of these programs and what they mean on the local level, and the parks that will not be there if they don't give the agency what amounts to as piddling amount of money compared to what they are spending on a lot of other things that probably don't have as much of a long range true impact on the quality of life in Arizona as these do. This is something we all need to try to all band together on and try to make ourselves heard even more with the legislature on the importance of getting as much funding on these issues as they can possibly set free.

Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

- b. Consider Staff Recommendations for Funding FY 2007 1st Cycle Historic Preservation Heritage Fund Grant Projects.** Staff recommends awarding the 9 highest-scoring priority grant applications listed on the Summary List (Attachment A) for a total of \$934,531.

Ms. Pulsifer referred the Board to page 84 of the Board packet. She reported that the funding available for this program is broken up into two cycles. Two-thirds is made available for the first cycle and one-third is available for the second cycle. There is a

little over \$1 million available for the first cycle. This program receives \$1.7 million for the year. There were 12 requests for this program amounting to \$1,120, 720. The Strategic plan comes down to below the 10th project (Florence Preservation Foundation), which is indicated by the dotted line. That project scored 80 points. However, the funding that is available for the first cycle runs out on the project just above it.

Ms. Pulsifer stated that staff's recommendation is to fund the first 9 in order to preserve that 1/3 that the Board and HPAC previously approved to be carried over to the second cycle for this program. Also, from the \$1.7 million available for this program, there are two set-asides that were approved previously - \$150,000 for ASP Development and \$100,000 for SHPO. Staff's recommendation is to fund the first 9 projects and approve the two set-asides.

Mr. Porter noted that there was a member of the audience who wanted to speak to the Board on this grant award. He stated that in previous years he would have been very concerned about the difference between 80 and 81 and a scoring method like this, but he really is convinced that the scoring process has gotten accurate enough where he's got a strong confidence level that even that difference of 1 point has to set the level as to who gets money and who doesn't. He believes that the system is currently working the way that it's supposed to and that policies have been put in place such as preserving the 1/3 that the Board needs to adhere to.

Mr. Bob DeBow addressed the Board. He stated that he resides in Florence. He is one of the owners of the Celay/Long/Sweeney Residence and gave a history of the residence. The Florence Preservation Foundation submitted a Heritage Fund Grant Request for assistance in preserving the Sweeney residence. The grant application is for a high-priority project. He is here today to ask the Board to review that grant application and fund it in the first 2007 cycle since there is money still available for the second cycle. He noted that after he and a partner purchased the property the City of Florence assisted them in getting rezoning in place to change the property to transitional, which made it more economical for them to renegotiate the purchase. The building was in quite a state of disrepair. All of the exterior walls are made of adobe. Over the years the ceiling has begun to collapse. They stabilized it and are starting to raise it back up. It is interesting that the previous owner actually received SHPO funds to repair it. There's been a lot of water damage to the structure. There has been a tremendous amount of support from the City of Florence. The building has gone through a period of degradation and neglect over the years and is a significant financial undertaking. The monsoons have taken a toll on the building.

Mr. DeBow stated that there was a 2-point deduction for completion time that caused them to be 1 point below the cut-off. Six years ago a Heritage Fund grant was awarded for another project that it took ADOT six years to proceed on. Things like that are clearly out of the control of applicants. FEC has shown its ability to work in a timely fashion. The Clark House is a fine example and is an asset to the community. These two points would have made the difference in funding their project.

Mr. Porter pointed out that the part about their rating that really puzzles him is that they got 0 points under public benefit. This is perhaps something they should work on to apply for the second cycle, for which they should be a strong contender should they

decide to apply. It strikes him that a very strong case could be made that must not have been made about the benefit. He would probably have no trouble sitting here with everything Mr. DeBow has said and coming up with some pretty strong public benefit criteria to throw in that probably should have been submitted. The Board has a lot to cover and Mr. DeBow has done a marvelous job making his case. He would love to make an exception, but no one knows how much it pains him not to be able to. The bottom line is that the Board has established criteria and if we start abandoning that and making up hard case exceptions – where is that line drawn? Additionally, he's not sure that it's fair to the people who are looking to applying in the second cycle to say they have a smaller pool of funds to look at because the Board made an exception. There are some entities that specifically program for that second cycle in the expectation that there will be a certain amount of funds there.

Chairman Cordasco thanked Mr. DeBow for his presentation to the Board

Board Action

Mr. Scalzo: I move that the nine (9) highest scoring priority Historic Preservation Grant Program applications be recommended for funding for the 2007 1st cycle Historic Preservation Grant Program in the amount of \$934,531 and further recommend approval of the \$150,000 set-aside for State Parks Development Section and the \$100,000 set aside for the State Historic Preservation Office (SHPO).

Mr. Porter seconded the motion and it carried unanimously.

- c. Consider Staff Recommendations for Funding FY 2007 Trails Heritage Fund Grant Projects.** Staff recommends awarding \$349,945 to the six projects on the attached summary list. AORCC concurred with the staff recommendation to fund all six projects at their August 90, 2007 meeting.

Ms. Pulsifer referred the Board to page 111 of the Board packet. She noted that the list of grants could be found on page 112. She noted that, again, the scores are very high. She believes that's a result and a reflection of the work that staff, as well as the advisory committees, have been doing over the last few years. She believes that these programs have come a long way and have been refined and improved quite a bit. As a result, the applicants are submitting much better applications. There is some continuing improvements to do, but they have come a long way.

Ms. Pulsifer reported that a total of 6 applications were received requesting a total of \$349,945. The amount available is \$530,434.

Board Action

Mr. Porter: I move that the six (6) eligible projects be approved for funding at \$349,945 and that the Executive Director or his designee be authorized to execute the Participant Agreements. Mr. Woodling seconded the motion.

Mr. Scalzo stated that the City of Avondale's project was the Agua Fria River Corridor Signage and Mr. Dan Davis is present today. That project is very important because it is part of what is going on along the Agua Fria and along the joint ventures of multiple cities and towns. It is a water district that includes Avondale, Buckeye, Goodyear, and

Maricopa County Parks and Flood Control District to create a regional trail system that will cover those entire waterways for literally miles and create public access to the water where there is flowing water and where each of the communities contribute to this. This grant today is a good example of how we help one of those towns and cities move forward. Although it's not a lot of money, it's very significant. Because we don't give as much money to these trails grants, we sometimes think they're less significant. They are very significant because they prove to these towns and cities throughout the state that the Board really wants to support the creation of a trails system throughout the state that will benefit all of our users, whether they're riding a horse or are hiking; whether they are biking or are just going out there to enjoy the nature that we brought to them with a trail. They are great projects, and he wanted to thank Dan and his community for stepping out and moving forward and putting their money to match other funds to make this happen now.

There being no further discussion, Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

- d. Consider Funding the FY 2007 Recreational Trails Program (Motorized Portion) Grant Projects.** Staff recommends awarding \$363,826 to the two applications. These projects have completed the Section 106 requirements and obtained National Environment Policy Act (NEPA) concurrence from the Federal Highway Administration. The Off-Highway Vehicle Advisory Group (OHVAG) unanimously concurred with the staff recommendation at their August 3, 2007 meeting.

Ms. Pulsifer reported that available funds for this program total \$376,203. Staff received two applications totaling \$363,826. Staff's recommendation is to award both grants.

Board Action

Mr. Porter I move that the Recreational Trails Program (Motorized Portion) funding be approved for the BLM-Kingman Field Office and Tonto National Forest applications at \$363,826 and that the Executive Director or his designee be authorized to execute the Participant Agreement.

Mr. Scalzo seconded the motion and it carried unanimously.

Mr. Travous noted that, as he is watching this, he is realizing that the Board is awarding communities more than \$11 million. According to today's newspaper, the state budget does not look good. This agency might be facing severe budget cuts over the next 5 or 6 months. It would be nice to have people behind him the next time he goes to the legislature and talks about having the heart cut from our budget. Staff fight hard to maintain this money to give to the people in the audience. Staff do not ask the legislature to give the agency their money. Staff fight hard to maintain that money for local communities. It would be nice if those people in those communities would start calling their legislators and tell them to leave ASP alone.

Mr. Porter added that every time the Board awards each one of these grants to anyone staff should send them a letter asking them to contact their legislators and tell them that they received this grant and what it means to them and the positive effects it will have

and that it is critical that they continue to give support to ASP and its grants program in order to continue that benefit. They tend to listen to their constituents a lot more than they do to the Parks Board.

Chairman Cordasco then moved to Agenda Item D.1.f.

- f. Consider Approval of FY 2008-2010 Law Enforcement and Boating Safety Fund (LEBSF) Allocation Schedule and Changes to the LEBSF Grant Instruction Manual** – Staff recommends adopting the allocation percentages for participating counties calculated in Attachment A for distributing the Law Enforcement and Boating Safety Fund accrued during the state fiscal years 2008, 2009, 2010 and changes to the LEBSF Grant Instruction Manual. AORCC concurred with the staff recommendation.

Ms. Pulsifer reported that staff are requesting approval for the changes to this program's Grant Instruction Manual. The manual does not change much from last year. The changes being proposed reflect the changes that the Board suggested in March, which is expanding uses of the eligible scope items and the FY2008-2010 allocation percentages. Other than that, the manual remains pretty much the same.

Lt. Alan Nelson, La Paz Co. Sheriff's Office addressed the Board. He stated that they supported this item 100%. He requested that the Board be open to revisiting this item at a later date because the amount of the salaries was submitted last year and reflect 2006 salary schedules. At that time La Paz Co. had the lowest paid County Sheriff's Department in the state. Their Board of Supervisors rectified that just this past Monday. One of their issues is that they be able to submit updated salary schedules to staff to reflect more accurate figures for funding to be available to them in 2009-2011. Essentially, in 2011 they would still be working off of 2006 figures. His request is to allow counties to resubmit their salaries.

Mr. Travous asked that, in order to stay out of trouble with the open selection process, the Attorney General's Office review that request so that we can be sure nothing is short-circuited. This is a statutory process and he wants to ensure the Board does not overstep itself by granting this request.

Mr. Porter responded that the Board does need to know it is doing the right thing.

Board Action

Mr. Porter: I move to adopt the allocation percentages for participating counties calculated in Attachment A for distributing the Law Enforcement and Boating Safety Fund accrued during state fiscal years 2008, 2009, 2010, and changes to the LEBSF Grant Instruction Manual.

Mr. Woodling seconded the motion.

Mr. Porter stated he was shocked when he saw the figures. He noted that his county, Mohave, receives 50% of the total of all of the counties that are participating in this process. He knew they were high, but not that high.

Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

2. **Consider Approving the 2008 Statewide Comprehensive Outdoor Recreation Plan (SCORP)** – Staff recommends the Arizona State Parks Board approve the 2008 Statewide Comprehensive Outdoor Recreation Plan. AORCC unanimously concurred with staff's recommendation on August 9, 2007.

Mr. Travous reported that staff work with NAU and others to survey the needs, facilities, etc., and that this is what makes us eligible for federal Land and Water Conservation funds. The SCORP must be approved by the Parks Board. It is also what staff use as a guideline for both Land and Water Conservation Fund and the LRSP fund in determining what the needs are across the state. It is a broad-based document.

Mr. Porter stated that the first year he got a SCORP after just coming on the Board he needed time to just recover from the shock of it. This document is amazing. He went through it and found it to be an amazing piece of work and he complimented staff on all the work that went into it.

Board Action

Mr. Porter: I move to approve the 2008 Statewide Comprehensive Outdoor Recreation Plan and forward it to the Governor for certification of adequate public involvement.

Mr. Scalzo seconded the motion and it carried unanimously. (Ms. Westerhausen arrived at the meeting at this point).

Chairman Cordasco then returned to D.1.e.

D. BOARD ACTIONS

- e. **Consider Staff Recommendations for Funding FY 2007 State Lake Improvement Fund Grant Projects** – Staff recommends awarding \$5,722,412 to the 12 highest-rated projects on the summary list.

On August 9, 2007, AORCC unanimously concurred with staff to fund the 12 highest rated applications and, in addition, to provide full funding to Bullhead City, and also fund the Yuma County grant application for the purchase of Watercraft in the amount of \$93,749. AORCC further recommended that staff explore the eligibility and possible funding of certain LRSP grant requests from the SLIF uncommitted balance in order to allow more LRSP applications to be funded. However, after discussing the matter with legal counsel, it was determined that the LRSP grant applications that had potentially been considered for funding under the SLIF Grant Program are not eligible in their current form.

Ms. Pulsifer directed the Board to page 131 of the Board packet. She reported that the staff's recommendation is slightly different from AORCC's recommendation. Staff's recommendation comes down to the Strategic Plan line; AORCC's recommendation was to fully fund all of the requests. She referred the Board to page 133. AORCC's recommendation is to fund \$6,104,786 for all 13 applications.

Mr. Porter noted that there are a number of people who want to speak on this issue. Before hearing from them, he felt the Board should look at the supplemental memorandum from staff relating to the Bullhead City matter.

Mr. Travous suggested that, unless there is any controversy on any of the other SLIF projects, the Board award the SLIF grants except for Bullhead City and then take up the Bullhead City grant. He noted that there is a problem with what Bullhead City is trying to do. Staff know that they need more recreation at Bullhead City. That's not the problem. The problem includes administrative and legal issues. It's a good grant; there's just a problem in getting over some hurdles.

Lt. Darren Simmons, Yuma Co. Sheriff's Office addressed the Board. He distributed a document to the Board. Lt. Simmons noted that, again, theirs was the 13th project on the list requesting two patrol boats. They currently have just two patrol boats with 3 full-time officers, 2 part-time officers, and 4 volunteers who also run the rivers. These 2 vessels are wearing out quickly if they don't get extra boats to take the pressure off them. They need more boats to provide security due to growth.

Lt. Simmons stated he also wanted to thank staff – they're great. They helped consistently whenever they were asked for assistance with their grant application.

Mr. Porter stated that he is supportive of the Lieutenant's position and he believes it is an important project. He stated he was ready to make a motion and asked the Board to listen carefully as it differs from the staff's recommendation.

Board Action

Mr. Porter: I move that all of the 13 eligible projects presented to the Parks Board initially be approved for SLIF funding with the exception of the Bullhead City proposal in the amount of \$3,984,386, which includes funding for the Yuma County Water Craft purchase, and that the Executive Director or his designee be authorized to execute the Participant Agreements.

Mr. Woodling seconded the motion.

Ms. Westerhausen asked if the \$3,984,386 takes Bullhead City out for the purpose of this motion.

Mr. Porter responded affirmatively.

Mr. Woodling stated he had a question on the Yuma County rating. He noted it is 11 points below the line. He questioned why it received the rating it did and whether it was communicated to the grant writers in Yuma.

Ms. Pulsifer responded that without having the application with her it is difficult to say for certain what the reason was. When rating the applicants, staff look for certain information in response to the criteria as well as support documentation. If the support documentation is not what staff are looking for, the applicant will lose points. Without having the application with her, she cannot say what happened. Staff do offer them feedback afterwards so that should they resubmit or submit another grant in the future, they will be aware and improve their next application.

Mr. Porter stated that, having made the motion he did, he would take this opportunity to gently take Yuma to the woodpile and say that it is important to provide support – and we all know it's important. Subsequently, the next time they need to include more support to make their grant stand out. Lt. Simmons stood here and made a case no one could quarrel with. That case needs to be made more cogently within the scope of the application next time. He suggested that they take their money, wipe the sweat away, go home, buy their boats, and submit a better application next time.

There being no further discussion, Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

Chairman Cordasco opened discussion on the grant application for Bullhead City.

Mr. Travous reported that the Board has information in their packet about this process. Staff have been in discussions with representatives of Bullhead City. He believes that everything staff sent to the Board has been sent to them for full disclosure. The bottom line is that there are two issues. First, what is the real property value? Secondly, who owns those values?

Mr. Porter noted that it also branches into new territory because this would be the first time that the Board would have spent this SLIF grant money on a leasehold. He isn't saying he has heartburn on that, but he knows it's an issue the Board needs to look at carefully. A day or two ago he received an indication that this issue probably needs to be pulled from this agenda and placed on October's agenda because of issues relating primarily to the evaluation given to the appraisal, so that's perhaps what the Board really needs to concentrate on. He noted that there was a representative from Bullhead City who wished to address the Board.

Mr. Winklman joined the meeting at this point in time.

Mr. Tim Ernster, City Manager, Bullhead City, addressed the Board. He stated that also present today are Karla Brady, Grants Administrator and Mayor Jack Hakim. He noted that he distributed a document to the Board. On the first page is a map of Bullhead City. There is a green swatch of land on the western edge. That is the land they are talking about. That land is located in the heart of their community. The blue area represents a major annexation to the city that increased their city borders by about one-third. He referred the Board to the next page that is an aerial photograph of the land long the Colorado River and an existing community park to the north.

Mr. Ernster then gave a history on this issue and what has transpired over the last 18 months leading up to this meeting today. Before beginning, he wanted to make some comments about Mr. Travous' earlier comment about wanting support from the cities that benefit from these grants. He stated that they are trying to work with the City of Kingman and Lake Havasu City in concert so that their voice is louder when they go to the state legislature. There will be a meeting next week to discuss these cities cooperating with each other to support ASP so that we can preserve this funding because it really is important to them.

Mr. Ernster stated that he wanted to briefly give some history. The previous leaseholder acquired the lease from the BLM in 1996 and the area that is shown on the

aerial photo was going to be developed as an RV Park along with some other commercial uses. The city never formally supported or approved the use of this property. In fact, the City has opposed it all along. They started out trying to work with the previous leaseholder and convince him that it wasn't in anyone's best interest to develop the property along the Colorado River for private use only. It needed to be open to the public. The City tried to get an easement from the leaseholder for at least some kind of trails system and were not able to make any progress on that. They also tried to negotiate with the developer to leave the western side of the property as open space recreation and the City would then work with him in the development of the east side of the property, which is really the larger side of the parcel so he would still benefit from the lease. He was not interested in doing that. They then went to the BLM and had numerous meetings and discussions with BLM officials trying to convince them that it was in no one's best interest to allow this property to be developed in the use that was proposed in the approved Master Plan. While the BLM was sympathetic to the City's cause, their position all along has been that the previous leaseholder had an approved Master Plan with the BLM. From their standpoint, they were going to support his Master Plan and his proposed use of that property. Their position was that the lease had value and that it was a concession lease. They provided the City with documentation – case law – to show that, in their opinion, the lease had value.

Mr. Ernster added that the City tried some creative ways to approach this issue. They had discussions with BLM and the previous leaseholder on an idea whereby the leaseholder would relinquish his lease of the area along the Colorado River to Bullhead City. The BLM would agree to transfer the value of that property along the Colorado River to the east side of the Highway 95 to the other 240 acres. Then, through some sort of disposal process on the property the developer would be able to recoup that value he theoretically was losing on the west side of Highway 95. The BLM District Office wrote a letter to the state office making this proposal and the state office turned it down.

Mr. Ernster stated that the next thing the City tried was to work in concert with the developer who was developing the Master Plan and was trying to get a right-of-way through this same area. He was having no luck with this same leaseholder. The developer hired a lobbyist from Washington, DC who was to arrange a meeting with BLM officials from Washington, the state, and the district to try to convince them that because there had been no progress in developing this property it should be taken away from the previous leaseholder. About a year ago he received a phone call from the district BLM office in Lake Havasu City and was informed that their position had not changed.

Mr. Ernster stated that at that point the City felt that they had exhausted all of their options and had made no progress in working with BLM and the leaseholder, in trying to force the leaseholder to do something. In June of 2006 the City began sitting down and having discussions with the leaseholder to see if there was some way the City could acquire that lease. He was willing to discuss that. The City requested three different appraisals to have that leasehold appraised. Two of the appraisers responded positively and one indicated that they were not interested. The City selected an appraiser and entered into an agreement with them. They appraised the property over the summer with the appraisal being completed in late August.

Mr. Ernster noted that at about that same time their Grants Administrator began having discussions with ASP to find out if the acquisition of a leasehold was eligible for SLIF funding. They were told at that time that it was and that they had to go through a process of obtaining a Waiver of Retroactivity from the agency that essentially said they could submit an application for the acquisition of this leasehold. The proper paperwork was submitted to the agency in December 2006. In August of 2006 they received a letter from the State Parks Department stating that they were ranking the Waiver of Retroactivity. The letter contained 3 conditions they had to meet. Those conditions have been met or will be met if this grant is awarded by the Board.

Mr. Ernster stated that the City went ahead and submitted the grant application. Another thing they agreed to do, knowing that this appraisal is now more than a year old, was to have another appraisal done on the property. They are more than willing to work with ASP staff to identify appraisers they are comfortable with.

Mr. Ernster stated that the City feels it has done everything they can to make this project happen. There is an RFP on the street right now to do a Master Plan for Section 12. They fully intend to develop that property for recreation purposes. He understands that the existing park north of this property continues southward. They see the need for personal watercraft, launch ramp, additional armadas, and beaches. It's a very important project to them.

Mr. Ernster noted that last year at about this time ASP staff were given a tour of this property. The City felt there was general support for this SLIF application at that time. This is the last section of land along the Colorado River that Bullhead City has an opportunity to develop for boating use. They feel very strongly about it. Mayor Hakim is here. He has sat on the City Council for 6 years and can attest to the importance of this issue for the City and how their City Council has opposed any sort of private development along this property.

Chairman Cordasco asked if the Board had any questions about this issue.

Mr. Woodling asked who owns the land and who owns the lease now.

Mr. Ernster responded that the lease was transferred to the City in December of last year. The City holds the lease now.

Mr. Woodling asked what consideration was given.

Mr. Ernster responded that the City entered into an agreement with the previous leaseholder for acquiring the leasehold rights for \$2.5 million. The City has already given the first downpayment of \$500,000 (December 2006) and the next payment is due in January of 2008.

Mr. Porter stated that he has had the benefit of a very detailed briefing of all of this history. He has had a chance to express a lot of concern and has received a lot of answers to questions. The end result is that he feels very strongly supporting the project and came prepared today to move for approval for this project. He is satisfied that it is vital and critical and is, indeed, the very last area to be developed. It is important that it not get into the wrong hands. He admitted to being absolutely nauseated and infuriated at what he considers to be the process that the City was forced

into. As Mr. Ernster indicated, they made every effort in trying to resolve this issue without essentially having to pay a huge amount of money to someone who got their hands on that leasehold, sat on it, and essentially is receiving a big windfall for having done next to nothing with it. But, that's history and, unfortunately, BLM blocked them at every turn. He believes that they got into a situation where they had to take the action they took. It appears to him to be a perfectly good example of a SLIF grant, but he's also aware that there are legitimate issues with the appraisal that the Board needs to be sure that it is doing this the right way and that everything is proper and that the i's are dotted and the t's are crossed.

Board Action

Mr. Porter: I move to table funding of the Bullhead City SLIF grant application for the October Parks Board meeting.

Mr. Scalzo seconded the motion.

Mr. Woodling asked if the problem is with the Appraisal or the timing. October is a month away and the City is coming to the Board for an answer. He asked what the holdup is and why the Board is holding it back a month.

Mr. Travous responded that staff could not get that information back on paper. The appraisal is stale. Beyond that, they have real problems with the appraisal. To the best of staff's knowledge, the prior leaseholder only put in \$50,000-\$60,000 and 10 years later it comes back with a \$10 million appraisal. In a worst case scenario, the City has put in \$500,000; this leaseholder already has that \$500,000; and the new appraisal comes in at \$300,000. The Board has put in money on grants that are leaseheld; most are properties in the west on water or on long-term leaseheld properties. This is the first time we are dealing with the buy-out of a lease.

Mr. Travous stated that the two issues are what the property is really worth and then who owns that value. This may be something that the Attorney General's Office or others may need to look into because there were performance things that the previous leaseholder had to do that it appears to staff he did not do. Staff want to be sure that that person is due that money.

Mr. Woodling thanked Mr. Travous for his comments. He agrees with Mr. Porter that all the i's need to be dotted and the t's need to be crossed.

Ms. Westerhausen asked how much of the lease the City is buying.

Mr. Porter responded there are 35 years left on it. What the City took is not the entire leasehold – it is simply one portion of it.

Mr. Ernster clarified that the City actually has the lease on the 283 acres parcel. Bullhead City is perhaps unique because most of their public facilities are built on BLM land under lease. They just finished their new City Hall building – a \$7 million project – on BLM land. Most of the schools in the City are on BLM land under leases. All of their parks are on BLM land. It is their position that this is a 39-year lease. The only way it would not be continued is if the City does not perform. That won't happen. From their

standpoint, this 39-year lease will enable them to have this land in perpetuity. The City does not intend to default on the lease.

Mr. Scalzo asked for clarification on Mr. Ernster's comments. He asked if it's not true that they have most of their land through a Recreation and Public Purposes Act rather than a lease. He noted that an R&PP is considerably different from a lease. With an R&PP one actually has a patent.

Ms. Karla Brady, Bullhead City Grant Administrator, responded negatively. She stated that the City doesn't own any patents. It's a different process. Her understanding is that they can get an R&PP lease and then apply for a patent.

Mr. Scalzo responded that an R&PP IS a patent. It's a Recreation and Public Purpose for a specific public purpose that is kept so long as that public purpose continues. A lease is completely different. It's time limited and has negotiated terms and a master plan and whatever. Those are usually called cooperative management agreements.

Ms. Brady responded that their parks' leases are 25-year terms that say "lease" on them but they also say R&PP. Regarding the appraisal, it was never their intent that the appraisal they just recently supplied to staff be the one that would be reviewed as a requirement of the SLIF application. They knew for more than a year that any grant would be contingent on a brand new appraisal of that riverfront property. She asked that the Board not let that influence their decision. They would like to ask the Board to go ahead and make this award contingent upon the new appraisal.

Mr. Travous responded that, just from an administrative standpoint, it would be different if the legislature was meeting between now and then. It wasn't the appraisal that drew staff's attention to it. It was that someone somehow through ways still unknown to him got a hold of a lease from apparently private development at the very same time staff were trying to get a lease at Lake Havasu and were told that we couldn't because they were going to do Master Plans. Now, all of a sudden, this private person has a lease and with very little money turns it into a \$14 million value. He feels that the Board needs to be very, very careful by going very far in this.

Mr. Porter stated that it will not cause tremendous harm for the Board to delay for a month. He believes the Board needs to give staff an opportunity to come in and, if they have serious problems, be able to lay them before the Board explicitly, in detail what they are so that the Board can deal with them. He would like those issues provided to the City so they can be fully prepared at the next Board meeting to be able to address them. Therefore, he will persist in his motion, which is to table this issue.

Mayor Hakim then addressed the Board. He noted that they left Bullhead City early in the morning in order to be at this Board meeting. He thanked the Board for the opportunity to address them. He stated that they have been working on this for 6 years. This project is in the heart of their city. The individual who previously owned the lease wanted to put in a mobile home park in on that property. The citizens of Bullhead City flooded the Council's chambers and said, "No, no – we need more beaches". Their city thrives on tourism. When this opportunity came for them to finally be able to acquire this, they took advantage of it. The one thing that Council and he insisted on was that the City get approval from ASP for the grant to be sure that what they were doing was

right and that everything was explained. What disturbs him is that they received a letter signed by Mr. Travous that stated that what the City was asking for (and everything is in there) was correct and to the point. They followed the instructions they got from Mr. Travous. That's why they're here today. He is a bit confused as to how all of this is turning around. He feels, as Mayor of the City and representing his constituents and their population, that they are being victimized because of something that has happened before. They have worked too hard on this; they have spent too much time on their plans to develop this beach area that is so important to all of us. To delay it one more month – for what? He is asking the Board to give them an opportunity to get another appraisal and then go from there. They followed the instructions they were given to the letter and now there's confusion. ASP staff came and visited the project. They were told everything that had to be told. None of them knew at the time what the previous leaseholder owed, what he was supposed to make – none of them knew any of that. All they knew was the previous leaseholder leased this land from the federal government, couldn't do anything with it, threatened to sue the City because the City did not want a mobile home park or RV park in the heart of the city on the banks of the river that supports them. They fought hard for 5 years and were finally able to achieve something. They did everything right – everything they were supposed to do.

Mr. Travous explained that the Waiver of Retroactivity is a tool that's used when someone comes in and says that they want to buy some property and make it useful for a park. Staff tell that community how they can help them. If they already have the land, and then apply for a grant then they can't use the value of that land as a match for the money they would be asking for for development. Staff tell them that there is a process called Waiver of Retroactivity where, in the process of buying this land, they wait to take title to it they will have one year. Then, if they come to us and secure titles they can use the value of that land to match other money and won't have to pay down twice. He did not anticipate that there would be questions at that point that were raised on what was being secured and the validity of the land. He noted that the paperwork he received said that the City has put down \$500,000 but something else said that the developer has put down \$500,000.

Mr. Ernster responded that the letter from Mr. Travous states, "This waiver authorizes you to accept leasehold rights or title to the properties". Mr. Travous said to purchase the property and it said leasehold rights. They approached the developer, who was trying to get a right-of-way through Section 12 and told him that if he was willing to contribute towards the acquisition of this piece the City would work with him and the BLM to see if they could secure this right-of-way he was looking for to get his road down to Highway 95. He agreed. Unfortunately the builder filed bankruptcy. So the City had to put up the \$500,000 as a downpayment to acquire the lease. Therefore, the developer has no money in this project. It is the City's money.

Mr. Winkleman ask if the 249 acres the City ended up with is on both sides of the highway.

Mr. Ernster responded that it is on both sides of Highway 95.

Mr. Winkleman asked what the City's plans are for the land on the other side of the highway.

Mr. Ernster responded that the City has no plans for the east side of the road yet. They are just now trying to hire a consultant to do a Master Plan for both the east and west sides of Highway 95. It will include a large public involvement. They have to do this as part of the Master Plan to satisfy the BLM. It will help them, too.

Mr. Winkleman asked if that Master Plan is exploring just civic uses or if it is looking at development uses.

Mr. Ernster responded it could look at development on the east side.

Mr. Winkleman asked if it's possible that the City could sublease it to someone else for development purposes.

Mr. Ernster responded that it is a possibility.

Mr. Woodling stated that Mr. Ernster mentioned earlier all of the properties Bullhead City has on BLM land that they lease. Yet, when they went to the BLM several years ago to try to work with them to get this lease they couldn't get it done. He asked what Bullhead City's relationship is with the BLM in their district. The City should be able to go to the BLM, and with all the other property they have under lease with them, and explain the importance of this property and get them to work with the City. It appears they didn't. They turned the City away at every turn.

Mr. Ernster responded that he believes the City has a very good working relationship with the BLM. The BLM was very sympathetic to their position. Their official position was that they had a lease with the previous leaseholder and there was an approved master plan and, therefore, they supported the leaseholder. They felt they did not have grounds to go through any termination clause. They also said that if they did decide to go through a termination clause, it could take years to get through the federal process and the end result might be that the BLM would still have to make some sort of compensation to this individual because, in their opinion, the lease has value because it is a concession lease. He believes the City has a very good relationship with the BLM. There are other properties in Bullhead City that they need to work with the BLM on. They work with BLM on a weekly basis.

Mr. Porter stated that in response somewhat to the Mayor, he hopes that the Mayor doesn't feel like ASP is victimizing the City. That is not at all the way to look at it. This is a bid process for grants. When a grant application is submitted, the applicant must first be eligible in the first place to put that application in. What the City received from staff initially was, "Yes, you can submit this grant because it could be approved should the Board decide to approve it." Then it comes to this Board, which is the last level of approval – just like the City Council. The City has been fighting this battle for 5 years and he is sympathetic. He believes the City has done a marvelous job in trying to get where they are. But this is new to the Board. The Board has not been dealing with this issue, and when they hear anything disturbing, they need to be careful. The Board have a staff they had better rely on and had better have confidence in. If the City did not have confidence in its City Manager and his recommendations and he came to the

Council and advised holding off for a month in making a decision, you'd better have enough confidence to go along with him or fire him. The Board is not ready to fire Mr. Travous. The bottom line is that he hears the Board's staff say, "Hold up for a month – we want to look at this issue and, particularly, the appraisal." Ultimately, from the time frame it's probably not going to make a critical difference in waiting one more month. He knows it's frustrating to the City. He assured the City that, when it comes back to the Board, unless there's something that really raises a red flag to him, he really likes this project and really wants to see it go through right and properly.

Mayor Hakim stated that he is not saying anything negative about Staff. He knows they work hard. He felt that, with all the information that was out there with staff, perhaps it should have come back to them through the Board to say where the problems lie, what the Board understood, this is what the City had to do, etc., as opposed to sending a letter that got his hopes up. What got them motivated; their Council pumped; and their staff pumped was that, finally, they were going to do something. If these problems were known beforehand, then perhaps they could have been handled. He understands and appreciates that another month is not going to hurt. He appreciates the Board looking into this more. If there's anything else that the Board or staff needs it would be great to have those needs up front before they come back in October. He thanked the Board for their time.

Mr. Scalzo called for the question.

Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

Chairman Cordasco called for Recess at 11:43 a.m.

Chairman Cordasco reconvened the meeting at 11:50 a.m.

E. EXECUTIVE STAFF UPDATES

1. Update on Picket Post House

Mr. Ream reported that, while negotiations have begun for the acquisition of the Picket Post House, things are not moving as quickly as hoped.

Mr. Scalzo asked if staff are getting any assistance from the local county.

Mr. Ream responded that he spoke with Mr. Ruiz. Everything is in flux. He received a flyer about a large planning session to be held on November 8. He will attend that meeting.

Mr. Scalzo noted that they want to do a county plan for a system of parks that don't exist.

Mr. Ream responded that the Board has more parks in Pinal County than any other entity.

Mr. Scalzo noted that Pinal County has development fees that are set aside for parks.

2. Contact Point MOU

Mr. Ream reported that staff continue to work with the Chemehuevi tribe and the City of Lake Havasu. He is working on a Memorandum of Understanding (MOU) with the City. He added that the JLBC have approved the money with stipulations. They want a lake study, a land use plan, and they want to know if privatization would be a best use of the land.

Mr. Porter noted that, when the Board met at Lake Havasu last year, he wondered why Mr. Travous was being so cautious. Now he understands and complements Mr. Travous on holding back.

Mr. Ream reported that Lake Havasu City has applied for an RP&P on a parcel promised to ASP by the BLM.

Mr. Scalzo noted that if one has an active RP&P application that dates back prior to this one, they have to dispose of that one first before they can move forward. We have no record that they ever disposed of it. He doubts if they did.

Mr. Travous added that staff have an MOU that says the BLM were supposed to give the Board that land as part of an earlier land exchange.

Mr. Scalzo suggested that the Board should certainly have the Attorney General's Office have a look at what we may have to do to make sure that BLM is paying attention here. They sometimes have memory losses.

Mr. Ream responded that just this week he spoke with the Bullhead City Manager who stated that the district BLM representative in Lake Havasu has been put in place just this week. His first order of business will be to write a letter to the BLM regarding this RP&P. He noted that staff's relationship with Lake Havasu has never been better. He wanted that to be understood. He has worked hard to maintain that relationship. He has already notified them of this issue. He is not telling the Board anything the City does not already know.

Mr. Woodling noted that he does not understand what's going on in Lake Havasu. There's been a hiatus since he was previously on the Board and today. A lot of things have transpired. He knows that the Board met there in the early 1980s and he said he'd never go back again after that meeting. A lot has changed. He asked if it would be appropriate for this Board to see this property and see what's going on up there.

Mr. Porter responded that the Board did see the property when he was Chairman. He held his first meeting in Lake Havasu and the Board spent hours on that property. There was a mass meeting with everyone involved – the Chemehuevi, the BLM, the City – they were all there.

Mr. Woodling pointed out that there are three fairly new Board members.

Mr. Porter strongly urged that the three new Board members tour the property because this will be during their tenure on the Board and will be one of their main issues to deal with.

3. San Bernardino Ranch Acquisition

Mr. Porter reported that Mr. Harvey Finks continues to spend a lot of time down there meeting with various people quietly here and there. He believes Mr. Finks is still looking for solutions. He is still in the process of trying to set up a joint meeting with himself and Mr. Finks and Mr. Woodling to further discuss their having an agreement with Malpai, who are the ones under pressure right now. They need a headquarters relatively quickly and need to know where things stand.

Mr. Porter noted that the Governor's letter relating to Tam O'Shanter fascinates him. As he read the letter, where she is talking to the Congress about what has to be done and how Tam O'Shanter has to stand on its own feet and that the Board cannot afford to do it, he realized that Mr. Finks needs to see this letter. Mr. Finks was wondering why the Board was making him come up with all of the money.

Mr. Ziemann pointed out that the Governor's letter is public information.

Mr. Porter responded that he will send a copy of the Governor's letter to Mr. Finks. He's been telling Mr. Finks that things have changed in the way ASP has to do these things. If the Board were acquiring a lot of the parks we got in the past now, staff would be telling them the Board needs an endowment. He doesn't believe Mr. Finks believed him.

Mr. Woodling added that he spoke with Mr. Bill McDonald, Executive Director of Malpai last night trying to get an update on what's been going on in Douglas. Basically, Mr. Finks met with the owners of the Malpai Ranch. As far as Mr. Woodling knows, that is the first meeting Mr. Finks initiated with them. He has no idea what was said; he will speak with the owners in the next few days. Their board meets on October 11 and he hopes to have more information to report to staff as to what is going on.

4. Update on Tam O'Shanter

Mr. Travous referred the Board to pages 234 and 239 of the Board Packet. He reported that the bill has been introduced by Congressman Pastor in the House and Senator Kyl in the Senate. He noted the Governor's response to it on page 234. As Mr. Porter pointed out, the things the Board asked for are essentially in it. As was mentioned, we are asking for an endowment for the long-term management of the park. That does not mean there is enthusiasm from Resolution Copper. The comment he is hearing from the Governor's Office and others is that literally billions of dollars of copper underground will come out and this is the opportunity to take advantage of that.

5. Update on Mabery Issue

Mr. Travous reported that this update is on page 240. Ms. Hernbrode, our counsel in this matter, was going to give a history on this matter, but she could not be present today. He will ask her to present that history of what this is all about at the next Board meeting. He noted that the Board received a verdict some years ago, but the Court of Appeals turned it all around and set us back essentially to where we were in the 1990s.

Mr. Porter noted that virtually every point where the Board could get a positive, we got a positive ruling. He congratulated the Attorney General's Office for some obvious very good legal work.

Mr. Travous noted that this lawsuit has been going on for years. He noted he had lunch with former Board member John Hays. Mr. Hays said this ruling restored his faith in the justice system in Arizona.

6. Heritage Alliance Initiative

Chairman Cordasco noted that this initiative has fallen apart.

Mr. Travous reported that the numbers did not come back favorably. The Nature Conservancy pulled out. The Trust for Public Land pulled out.

Mr. Porter stated that his gut feeling was that it was completely wrong to try to get the voters to approve a tax increase. Anything that has the word "tax" associated with it will probably get zapped.

Mr. Scalzo stated that he disagrees with Mr. Porter. He believes that most Arizonans would support a State Parks initiative; he feels very strongly against partnering with Game & Fish on this after having attended that meeting along with Mr. Ziemann and seeing the response from the other conservation and general support groups. They did not show much support for the way Game & Fish approached this funding. He believes that when this kind of funding is done it has to show that it has an impact on the entire state and that it's a shared amount of money and not something that one agency uses entirely for its own purposes. He thinks that's a problem. Quite frankly, he believes the State Parks department and the services it provides has a much better reputation and a much clearer path of partnering, collaboration, etc. He doesn't think this issue should die entirely, but he thinks it should be more with the Heritage Alliance for the future. He thinks they have an affinity toward supporting something for ASP. He believes the Board should continue its role.

Mr. Woodling noted that Mr. Travous said the timing wasn't right and that the support wasn't there. He asked if Mr. Travous were speaking about the surveys done by ASU and the early responses from the public.

Mr. Travous responded the surveys were conducted by a company in California that said the support was there but there was not enough hard core support that if someone funded an opposition the support was too soft and that it would cost \$2-\$3 million to run the campaign.

Mr. Woodling asked if this was done by telephone surveys.

Mr. Travous responded that it was done by telephone and by focus groups. It was a very extensive effort. It just did not pan out.

F. DISCUSSION ITEMS

1. Board Statement

Chairman Cordasco read the proposed Board Statement as follows: As Board members we are gathered today to be the stewards and voice of Arizona State Parks and its Mission Statement to manage and conserve Arizona's natural, cultural, and recreational resources, both in our parks and through our partners, for the benefit of the people. He asked if the Board had any thoughts to discuss.

Ms. Westerhausen stated that she would say it's not just managing and conserving but also perhaps also acquiring.

Chairman Cordasco asked if this would be a change to the Mission Statement.

Mr. Travous responded that it would.

Mr. Ziemann pointed out to the Board that, with the change, it would be a political lightening rod for some politicians. The word "acquire" is not popular with chairs and very conservative members of the legislature.

Mr. Porter noted that the Board wouldn't want to lose their support.

Chairman Cordasco pointed out that this could be a fluid Board Statement that could be changed at any time. He hopes the intended use would be under Agenda Item A when the meeting is called to order that Board use this to remind themselves, the staff, and others why we are here

Mr. Porter noted that it would be subject to change if the Board decided something needed to be changed.

Board Action

Mr. Porter: I move that the Board Statement be approved.

Mr. Scalzo seconded the motion.

Mr. Porter noted that the motion is to include Ms. Westerhausen's suggestion.

Mr. Scalzo then withdrew his second because he did not agree with adding the word "acquire".

Mr. Porter than agreed that his motion to approve the Board Statement would be as read by the Chairman.

Mr. Scalzo again seconded the motion.

Chairman Cordasco noted that the Mission Statement is something that three of the Board members worked on and approved about three years ago. This is probably the first time the Board got to use what they approved.

There being no further discussion, Chairman Cordasco called for a vote on the motion on the floor. The motion carried unanimously.

Mr. Porter clarified that the motion was to approve the Board Statement as stated.

G. CALL TO THE PUBLIC

There were no public remaining.

H. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS

- 1. The Board will discuss location for the next meeting to be held on October 18, 2007 at either Tonto Natural Bridge or Orme Ranch.**

Chairman Cordasco stated that the secretary had confirmed to him this morning that the Orme Ranch is available for the next Board meeting if the Board so approved. Tonto Natural Bridge is still under renovations.

Mr. Travous reported that Tonto is now available, but Orme Ranch appears to have everything set up.

Chairman Cordasco noted that Orme Ranch is located just 3 miles off Interstate 17 about half-way between Flagstaff and Phoenix. It is a college preparatory school that he attended for 4 years; it's an international college preparatory boarding school. The Board will enjoy it. It is a beautiful place that will remind the Board somewhat of Boyce-Thompson Arboretum.

It was the consensus of the Board to meet at Orme Ranch on October 18, 2007.

2. Board members may wish to discuss issues of concern and request staff to place specific items on future Board meeting agendas.

Chairman Cordasco noted that the Mabery issue will be on the Agenda.

Mr. Travous added that moving forward on the long-range plan will be on the Agenda. He is in the process of finding companies and costs for doing that. There may be presentations or information on acquisitions of Peck's Lake and the Santa Cruz and Patagonia Lake.

Mr. Travous noted that the Game & Fish Commissioner will retire in the next few months. It would be nice to have him and one of the Commissioners come and thank him for his many years of service. We could also discuss future things the two agencies could do. Staff would like to present something labeled "SPOT" (Strategic Plan on Talent) to the Board. This is a group of staff who are trying to determine how the agency attracts and maintains talent.

Chairman Cordasco noted that Bullhead City will certainly be on that Agenda.

Mr. Ziemann added that Growing Smarter grants will be on that Agenda as well. This will be the first time in 4 years that the Board will consider these grants. There are two Growing Smarter grant applications that have been submitted.

Mr. Travous added that NAPAC has requested to be on the Agenda.

Chairman Cordasco noted that Slide Rock will be having their Apple Festival coming up.

Mr. Travous reported that the 50th Anniversary Celebration campaign has received two awards: one from Tourism and one from APRA (AZ Parks and Recreation Association). There are a number of events beginning next weekend coming up to celebrate the 50th Anniversary. In October people are invited to Alamo Lake to stargaze. They will bring their telescopes to the park to view the night sky. Additional upcoming events include the Slide Rock Apple Festival, Verde River Days at Dead Horse Ranch State Park, and the celebration at Fort Verde Historic State Park. The Board will receive invitations to all of them.

Mr. Porter stated that he believes that the Chairman set a record today in getting through this annual meeting on the grants awards.

I. ADJOURNMENT

Chairman Cordasco adjourned the meeting at 12:25 p.m.

Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the acting ADA Coordinator, Karen Farias, (602)364-0632; or TTY(602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

William C. Cordasco, Chairman

Kenneth E. Travous, Executive Director